



**Important Update to the enclosed HCTC Program Kit:
The American Recovery and Reinvestment Act (ARRA) changes to the
HCTC Program expired February 13, 2011**

Please note that some of the information in the enclosed HCTC Program Kit is no longer current. The ARRA provisions that changed the HCTC expired February 13, 2011, and as a result, a number of the HCTC provisions described in the Program Kit and Monthly Registration Form have changed or are no longer available. Therefore, please read the following information carefully to understand how this affects you. For the latest legislative updates, please visit www.irs.gov/hctc.

The 80% Tax Credit decreased to 65%

As of March 2011, the HCTC Program will pay 65% of qualified health insurance premiums instead of 80%. Once you're registered to receive the monthly HCTC, you will be responsible for paying 35% of your monthly health insurance premiums.

Reimbursement Requests will no longer be processed

Effective March 1, 2011, the HCTC will no longer process new reimbursement requests for the monthly HCTC. Please disregard pages 22 through 25 of the Program Kit. You can file *Form 8885, Health Coverage Tax Credit* with your federal income tax return to claim the yearly HCTC for payments you made directly to your health plan while eligible and enrolling in the monthly HCTC program.

Extended Eligibility for Qualified Family Members is no longer available

Qualified family members of TAA recipients and PBGC payees who enroll in Medicare, pass away, or finalize a divorce, are no longer eligible for continued HCTC eligibility following these events. Please disregard the qualified family members' notes on pages 5 and 16 of the Program Kit. Qualified family members can only receive the HCTC while the TAA recipient or PBGC payee is eligible for and receiving the HCTC.

Extension of COBRA Coverage has expired

Former employers and COBRA administrators are no longer required to extend the duration of COBRA coverage for TAA recipients and PBGC payees. Once your COBRA coverage ends, you must obtain another qualified health plan, such as a state-qualified health plan, to continue receiving the HCTC.

Important Note: The following provision was extended until February 13, 2012

Voluntary Employee Beneficiary Associations (VEBAs) Established Under ARRA Remain Qualified Until February 13, 2012

Although these VEBAs will remain qualified for the HCTC, you should still submit a *VEBA Attestation* to ensure that your VEBA remains qualified should this provision not be extended in the future. You can download this attestation by going to the Latest News page on www.irs.gov/hctc.

Please visit www.irs.gov/hctc or call the HCTC Customer Contact Center toll-free at 1-866-628-HCTC (4282) if you have questions about these legislative changes. Call 1-866-626-4282 (TTY) if you have a hearing impairment.